

Vision: We are the leader in state liquor licensing and enforcement, focused entirely on delivering exceptional services that meet customers needs and enrich the communities we serve.

Mission: To protect public safety and support economic growth through the responsible sale and consumption of liquor, and to efficiently license qualified applicants.

Agency Description:

The Department licenses and regulates the production, distribution and sale of alcoholic beverages throughout the State of Arizona.

In instances involving allegations against licensees, the Department investigates complaints, develops police reports, and enforces civil and criminal laws. State liquor laws are in Arizona Revised Statutes, Title 4. Supporting rules are in Arizona Administrative Code, Title 19.

The Department is an appropriated self-funded agency. The revenue of the agency is divided up to the General Fund, DLLC Budget Fund, Counties and other state agencies. In FY2023, it collected \$23,594,089; \$11.5 million went to the General Fund, \$427,287 to Counties, \$174,008 to state agencies and approximately \$10,612,500 to the Department's budget.

Executive Summary:

The Department's strategic plan aligns with Governor Hobbs' priority of economic growth and workforce to grow the economy and set our state up for long-term prosperity.

Technology improvements and leveraging technology present the greatest accelerators to success. We provide customers a new business experience wherein the Department is virtually open for business 24/7, and customers are able to complete many essential business tasks online like never before. This impacts the speed of business, department performance and economic opportunities. More is planned on the horizon in the coming years.

A commitment to continuous improvement through the Arizona Management System (AMS) has proven instrumental for leveraging and developing talent, eliminating waste in processes, and optimizing resources. Continued application of AMS is certain to result in further process improvement wins.

Leadership has aggressively conducted outreach programs and collaborated with members of the liquor industry, community and other stakeholders in an effort to continuously improve the Department and to build strong, long lasting business relationships.

Summary of Multi-Year Strategic Priorities			
#	Five Year Strategy	Start Year	Progress / Successes
1	Improving IT technology tools	2021	Modified new e-license tool to meet Alcohol To Go requirements in 2021-2022. The Department moved the website to a new web host on a Government server which provides better security in 2022. New automations are in place that provide hourly data updates to the website and intranet for the end users in 2022. New systems anticipated for 2024.
2	Improve workplace environment	2022	Aggressive recruitment and tactics filled many vacant positions thus increasing work production and decreasing the workload for many employees in FY22. New office space in Tucson and Flagstaff, renovating the Phoenix office, pay adjustments given to some employees in FY22, year end bonuses in FY23, and anticipated pay adjustments in FY24. Additional position requests in future budgets and staffing will be a priority in FY24-FY25.
3	Simplify Title IV, administrative rules and create Department policies	2022	Changes to Title 4 to be implemented in FY24 from 2023 HB2223. Three rule packages will be submitted in FY2024 to update antiquated rules and create new ones required by statute. Additional policies and procedures will be created that document workflow and security as recommended by the Auditor General's audit.
4	Enhance Department's efficiency	2023	New leadership priorities are reflected in the 2024 strategic plan. The focus is the key areas of compliance, investigations, licensing, and IT to enhance the efficiency overall. Restructuring of roles, assignments, and priorities will be implemented to increase work production, promote economic growth and protect the public.

Strategy #	FY24 Annual Objectives	Objective Metrics	Annual Initiatives
3	Review and revision to Title 19 as it relates to Liquor Laws.	<ul style="list-style-type: none"> Number of proposed rule improvements or technical corrections needed. 	<ul style="list-style-type: none"> Conduct thorough research into conflicting and or outdated rules relating to liquor. Solicit feedback from stakeholders and develop appropriate language corrections.
3	Improve response to public records requests.	<ul style="list-style-type: none"> Percentage of requests complete. Number of days to process and respond. 	<ul style="list-style-type: none"> Process requests and send a response within 10 business days from receipt. Streamline efficiency opportunities in record request fulfillment.
4	Develop a Trade Squad handling increasing violations of Direct to Consumer (DTC) Shipments. (Breakthrough)	<ul style="list-style-type: none"> Number of details completed. Number of officers trained. 	<ul style="list-style-type: none"> Complete one DTC compliance detail per quarter to ensure all levels of the 3 tier system are in compliance and collect pertinent data for reporting. Create and implement a process with the Department of Revenue to ensure appropriate tax revenue is collected.
4	Enhance capabilities to collaborate with law enforcement agencies statewide to provide increased public safety as it relates to alcohol.	<ul style="list-style-type: none"> Number of cases worked. 	<ul style="list-style-type: none"> Assign a Special Agent to the HIDTA DEA Task Force. Work to decrease reporting times in reference to violent incidents at licensed locations.
4	Increase outreach opportunities to enhance community engagement and awareness.	<ul style="list-style-type: none"> Number of presentations completed. 	<ul style="list-style-type: none"> Increase investigators in the Education and Prevention Unit. Continue robust relationship with AHCCCS to obtain more grant funding for outreach initiatives.
2	Promote consumer confidence and organizational health and longevity.	<ul style="list-style-type: none"> Percentage of project milestones completed. Number of communications to the public. 	<ul style="list-style-type: none"> Increase transparency on operations and outcomes through our website. Address audit concerns, state security requirements tied to CJIS compliance, FEDRamp. certification, written standard work in the form of policies and procedures, and records retention.
2	Enrich people; transform performance.	<ul style="list-style-type: none"> Percentage of employee retention. Number of vacant positions filled. Number of internal promotions. 	<ul style="list-style-type: none"> Invest in ongoing training for staff through state resources, conferences, and more efficient software. Reevaluate internal assignments for promotions and growth within the agency.
1	Update and implement information systems.	<ul style="list-style-type: none"> Percentage of project milestones completed. Number of e-filed applications. Percentage of cost savings on paper. 	<ul style="list-style-type: none"> Address system gap issues, such as Investigations RMS, licensing tool omissions, access to records, improved reporting, and a systems approach to integrating applications. Reduce reliance on paper document processing and establish new processes for when to use paper. Update internal procedures for electronic document management system. Expand work from home capability to everyone in agency with equipment and VPN.